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NUEXCO REPORT 215 FIGURES OF THE MONTH (June 30, 1986)	This Month (Report 215)	Last Month (Report 214)	12 Months Ago (Report 203)
Exchange Value[1]	17.00	17.00	15.00
Transaction Value[1]	17.20	17.15	14.60
UF_6 Value[2]	48.25	48.25	42.50
Loan Rate[3]	4%	4%	5%
Conversion Value[4]	1.80	1.80	1.60
Near-Term Uranium Supply[5]	4.1	4.2	3.5
Near-Term Uranium Demand[6]	2.1	1.0	1.3
Near-Term Supply-Demand Ratio	2.0	4.3	2.7
Recent Uranium Sales:			
Number of Transactions[7]	4	6	8
Quantity of Material[8]	0.6	1.2	1.5
Nuexco SWU Value:[9]			
at 0.3 tails assay and delivery within one year	78	75	—
USDOE SWU Prices:			
USEC	125.00[10]	125.00[10]	135.00
AFC	153.00[11]	153.00[11]	153.00[11]
Requirements	157.00[11]	157.00[11]	157.00[11]
Market Value of Enriched UF_6[12,13]:			
2.5 w/o U_{235}	457	450	452
3.0 w/o U_{235}	585	575	582
3.5 w/o U_{235}	715	702	714
4.0 w/o U_{235}	847	831	849

[1]US $ per pound U_3O_8 equivalent.
[2]US $ per kilogram U as UF_6.
[3]Per annum.
[4]US $ per pound U as UF_6.
[5]Active inquiries to sell, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[6]Active inquiries to purchase, for delivery within 12 months after contract signing (millions of pounds U_3O_8).
[7]Uranium sales only; does not include loans, conversion, or SWU transactions.
[8]Millions of pounds U_3O_8, equivalent.
[9]US $ per SWU.
[10]Effective 10/1/85.
[11]Effective 10/1/84.
[12]Calculated using the Nuexco Exchange Value, Conversion Value, and 0.30 percent tails assay. From 4/30/85 to 11/30/85, calculations used in the Nuexco SWU Value for DOE origin and delivery by the end of FY86. As of 12/31/85, calculations use the SWU Value for delivery within one year.
[13]US $ per KgU as UF_6, rounded to the nearest $.

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EXECUTIVE SUMMARY
REPORT 215
(All data as of June 30, 1986)

Exchange Value $17.00, unchanged

The **Exchange Value** is **$17.00** per pound U_3O_8, unchanged since last month.

UF_6 Value $48.25, unchanged

The **UF_6 Value** is **$48.25** per kilogram U as UF_6, unchanged since last month.

Transactions

Four recent natural uranium sales are reported, involving approximately 600 thousand pounds equivalent U_3O_8. All of the sales involved natural UF_6 for spot or near-term delivery, and all met the conditions for inclusion in the Transaction Value.

Supply-Demand Ratio fell to 2.0:1

Active spot and near-term **uranium supply** amounts to **4.1 million** pounds U_3O_8 equivalent, down 165 thousand pounds since last month. Active spot and near-term **uranium demand** totals **2.1 million** pounds, up 1.1 million pounds. The spot and near-term **supply-demand ratio** fell to **2.0:1.**

Transaction Value $17.20, up $0.05

The **Transaction Value** is **$17.20** per pound U_3O_8, up $0.05 since last month. The calculation includes 14 transactions involving a total of 2.2 million pounds U_3O_8 and equivalent UF_6, and covers a period of 3 months.

Loan Rate unchanged at 4%

The **Loan Rate** is **4 percent** per annum, unchanged.

Conversion Value $1.80, unchanged

The **Conversion Value** is **$1.80** per pound U as UF_6, unchanged since last month. Active secondary market supply for conversion services for delivery within three years totals 1.7 million pounds U as UF_6. Active demand totals 565 thousand pounds U as UF_6. No secondary market conversion transactions are reported.

SWU Value for delivery within one year: $78

The **SWU Value** at .3 tails and for delivery within one year is **$78** per SWU, up $3 since last month. One secondary market SWU transaction is reported.

* * *

Pricing

This month's Pricing section focuses on the facts, implications and market reactions to the District Court order involving DOE and three US uranium producers. In addition, subsequent articles cover some related topics in depth, including:

1. A review of the status of Judge Carrigan's order, the DOE appeal and request for a stay of the injunction, and other legal procedures in the Tenth District Court and the Tenth Circuit Court of Appeals.
2. An update of the status of the Domenici legislation currently in committee in the US Congress. The legislation would require a 50-percent embargo of non-US uranium for US utilities, as well as a variety of other provisions important to the industry.
3. A review of the report by the US Trade Representative pertaining to possible uranium import restrictions, the Reagan Administration's free-trade stance, and US trade policies in general.

Essay

Efforts to restrict the amount of foreign uranium used in the US nuclear power program are not new. This article traces the history of limitations on the enrichment of non-US uranium and previous attempts to enact legislative methods to bolster the US uranium production sector.

Analysis and Commentary

The US uranium industry, which produced just over 11 million pounds U_3O_8 in 1985, could increase its production by more than 50 percent if economic conditions encourage expansion.

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